



FACILITY SUPPORT CONTRACTS PRODUCT LINE PLAN UPDATE

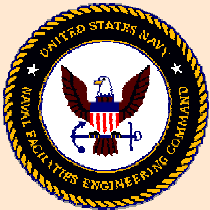
ROICC CONFERENCE

15 January 2003



Contents

- **Background**
- **FSC Product Line Plan Background**
- **Initiatives**
- **Next steps**
- **Investments/Savings**



Background

Client Concerns

- IMAP
- Electronic Database
- Access
- ABC/M Compatible
- Levels of service

DRID 47

- Streamline End to End Process
- Adopt Common Business Rules

Section

801-803

NEW FSC PROGRAM STRUCTURE

Standardized

- Acq. Strategy Tool
- PWS Format
- Requirements
- Cost Definitions
- Performance Stds
- Metrics
- IT/e-Tools

Service
Contract
Oversight

Industry

- Inconsistent Formats
- Inconsistent Requirements
- Inconsistent Definitions
- Inconsistent Performance Stds
- Inconsistent IT/e-Tools

DFARS 204.71

- CLINS/SLINS/ELINS
- Unmatched Disbursements
- Single LOA
- Electronic Payment



Background

- **Improvement and integration efforts began in Spring 01 w/ renewed focus on FSC by RADM Johnson**
- **NAVFAC FSC assessment recommended a program approach for FSC expenditures**
- **Comprehensive FSC PLP developed**
- **Investment of 18 NAVFAC billets**



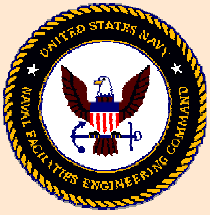
FSC PLP Background

- **Objective: Provide DoN clients increased buying power**
- **Focus: Long-term change to reduce total ownership costs**
 - Refocus NAVFAC resources on FSC as an integrated program
 - Develop common business practices, policy and guidance
 - Move to performance based/e-business/IMAP/IBM
 - Partner with clients and industry
 - Address client issues through metrics & feedback mechanisms
 - Develop Regional acquisition strategy & contract specific plans



NAVFAC FSC Product Line Plan

- Acquisition Strategy
 - **Develop Navy Strategy**
 - **Develop Regional Strategies**
- Policy, Common BPs
 - Define roles/responsibilities
 - Recommend changes in resourcing models
 - Publish needed policies, post on BMS
 - Update Community Management Plans
 - **Create FSC/BOS Template**
 - Develop partnerships with external agencies, private industry
- Leverage Electronic Resources
 - Fully utilize BMS
 - Create FSC e-Business Plan
 - **Conduct e-FSC Pilot**
- Client Support
 - Improve feedback methods
 - Develop marketing tools
- Metrics
 - Develop integrated metrics



Acquisition Strategy Tool

- **Allows Program Management Approach**
- **Architecture:**
 - **IMAP Consistent**
 - **Strategic Sourcing Matrix**
 - **Contracts Inventory**
 - **Acquisition Decision Criteria Matrix**
 - **Procurement Strategy Matrix**
- **Develop Navy Region and/or geographic Acquisition Strategies**
- **Seeking Funds from the DoN e-Business Office**



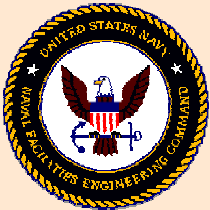
FSC/BOS Template

- Performance Based Requirements
- IMAP Consistent (50 of 124 sub-functions)
- Standard Annexes
- Tabular Formatted Requirements
- Incentive Guidance
- Performance Assessment Plan
- Guidance on Relationships between Sections B, C, E, H, J, L & M to support performance-based contracting



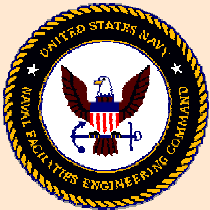
FSC/BOS Template Progress

- Completing first 5 GPWS for Facility Services
 - Refuse, Custodial, Grounds, Pest Control, and Street Sweeping/Snow Removal
 - Includes User's Guide, Guide Source Selection Plan and Sections E, L and M
- Under legal review
- Identified FY03 pilot acquisitions
- Started Utilities, Transportation, Family Housing, and Sustainment, Restoration and Modernization (SRM)



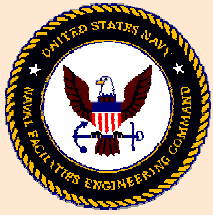
DoD EMALL

- **DoD EMALL**
 - On-line tool for clients to order pre-priced FSC IDIQ line items using Government Purchase Cards (GPC)
 - Pilots conducted with selected contracts
 - Housing Maintenance @ JAX & Naval District Washington
 - Custodial and Grounds Maintenance @ Quantico
- **Benefits**
 - Standardizes IDIQ ordering using a GPC
 - Reduces ordering time and effort
 - Reduces contractor payment time
- **Deployment**
 - Phase I: DoN E-Business Pilot - 4th Q FY02
 - Phase II: Selected contracts - 2nd Q FY03
 - Phase III: Command-wide - Begin 3rd Q FY03



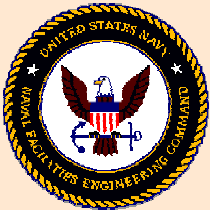
Next Steps

- Finalize FSC PLP updated team memberships & milestone dates
- Establish baseline metrics (financial/non-financial)
- Conduct T&Q study to recommend revised approach based on impacts of other changes
- Identify several existing contracts to negotiate savings through restructuring. As minimum, recommend reviewing:
 - BOS Puerto Rico for COMLANTFLT**
 - BOS NAS Fallon for PLT**



Investments and Opportunities for Savings

- **Investments**
 - **Renegotiate Contracts**
 - **Acquisition Strategy Tool**
 - **FSC/BOS Template**
 - **T&Q Study**
- **Opportunities for Savings**
 - **Performance based specs**
 - **Standardized service levels**
 - **Commercial practices**
 - **Award-option incentive**
 - **Reduced QAE/ET effort**
 - **Reduced CA/CS effort**



Announcement/Invitation

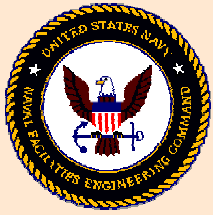
- **FSC PLP training scheduled next week**
 - **22 & 23 January 2003**
 - **Founders Inn**
 - **Presentation by Mr. Bill Mackinson, vice president of AMCI**
 - **22 Jan**
 - **0830-1230 - in-depth overview (everyone in this room is invited to attend)**
 - **1330–1630 - hands-on training for all involved with the pilot tidewater grounds contract (others need to let me know if they'd like to attend the hands-on training)**
 - **23 January**
 - **0830–1630 – continued hands-on training for all involved with the pilot tidewater grounds contract**



Conclusions

- We have come a long way but it is too early to declare victory
- Process improvement is a team effort
- Need Claimant participation to ensure success
- Must combine long term change with near term savings strategies
- Must fund investments now to achieve goals

Q & A



Back-up Slides



FSC RESOURCES (H LINE)

HQ

ACQ – Cindy Readal

BOS – Beverly Gaskins

SWDIV

ACQ – Robin Green

BOS – Kim Ostrowski

BOS – Sonny Dodge

BOS (EFANW) – TBD

SOUTHDIV

ACQ – Larry Millhouse

BOS – Jim Schroeder

BOS (EFASE) – TBD

BOS (EFAMW) – TBD

LANTDIV

ACQ – Jim Bailey

ACQ – Freda Reilly

BOS – Tim Schocklin

BOS (EFANE) – Sharell Franklin

BOS (EFACHES) – Ben Konopka

BOS (HQ LANT) – Bill Gasser

PACDIV

ACQ – Dave Lowry

BOS – Warren AhLoo

BOS – Jerrod Tamashiro

BOS – Ryan Ide

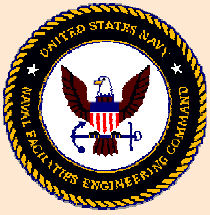
Operating Forces Support

Community Support

Base Support

| Air Operations | Port Operations | Operations Support | Personnel Support | Housing | Facility Support | Environmental | Public Safety | Command & Staff | |
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| <div>Airfield Operations</div> <div>Airfield Logistics</div> <div>Air Traffic Control</div> <div>Aviation Fuel Support</div> <div>Ground Electronics</div> <div>T-Line/ Airfield Facilities</div> <div>Aviation Support</div> <div>Auxiliary Airfield Support</div> <div>Cargo Handling</div> <div>Passenger Terminal Ops</div> | <div>Port Services</div> <div>Berthing & Hotel Services</div> <div>Port Logistics</div> <div>Port Operations Center</div> <div>Tugs & Craft</div> <div>Other Port Ops</div> <div>Magnetic Silencing</div> <div>Sea Air Rescue</div> <div>Spill Response</div> | <div>Other Ops Support</div> <div>Weapons</div> <div>Range Support</div> <div>HealthCare Support</div> <div>Supply</div> <div>Supply Management</div> <div>Procurement</div> <div>POL Mgmt</div> <div>Inventory Mgt</div> <div>Warehousing</div> <div>Postal Ops</div> | <div>MWR</div> <div>Cat A Activities</div> <div>Cat B Activities</div> <div>Cat C Activities</div> <div>Child Development</div> <div>Child Development Centers</div> <div>Child Development Homes</div> <div>Resource/ Referral</div> <div>School Age Care</div> <div>Galley</div> <div>Food Service Contracts</div> <div>Galley Operations</div> <div>Fleet and Family Support</div> <div>Deployment/ Readiness</div> <div>Crisis Response</div> <div>Career Support/ Retention</div> | <div>Family Housing</div> <div>Management</div> <div>Services</div> <div>Furnishings</div> <div>PPV</div> <div>Miscellaneous</div> <div>Utilities</div> <div>Maintenance</div> <div>Leasing</div> <div>Intra-station moves [non-FH,N]</div> <div>Bachelor Quarters Ops</div> <div>Contract Berthing</div> <div>Permanent Party</div> <div>PPV</div> <div>Student</div> <div>Transient</div> <div>Other Community Support</div> <div>Overseas Personnel Support</div> <div>Ceremonial Guard/ Funeral Honors</div> <div>Museums</div> | <div>Utilities</div> <div>Chiller Plant</div> <div>Electrical</div> <div>Gas</div> <div>Other</div> <div>Sewage</div> <div>Steam</div> <div>Water</div> <div>Facility Management</div> <div>Mgmt & Admin</div> <div>Installation Plans and Engineering</div> <div>Collateral Equip</div> <div>Real Estate</div> <div>SRM</div> <div>Sustainment</div> <div>Restoration & Modernization</div> <div>New Footprint</div> <div>Demolition</div> <div>Combating Terrorism</div> | <div>Facility Services</div> <div>Janitorial</div> <div>Pest Control</div> <div>Refuse Collection/ Recycling</div> <div>Other</div> <div>Grounds Maint</div> <div>Street Sweeping & Snow Removal</div> <div>Base Support Vehicle & Equip</div> <div>Mgmt & Admin</div> <div>Railroads</div> <div>Cranes</div> <div>Vehicles</div> <div>GSE/MHE</div> <div>Construction</div> <div>Other</div> | <div>Compliance</div> <div>Mgmt & Planning</div> <div>Recurring Activity Support</div> <div>Non-recurring Activity Support</div> <div>Conservation</div> <div>Recurring Activity Support</div> <div>Non-recurring Activity Support</div> <div>Pollution Prevention</div> <div>Recurring Activity Support</div> <div>Non-recurring Activity Support</div> | <div>Force Protection</div> <div>Law Enforcement</div> <div>Physical Security Equipment</div> <div>Physical Security Mgmt/Planning</div> <div>Anti-Terrorism FP</div> <div>Harbor Security Craft</div> <div>Security Guard Ops</div> <div>Federal Fire</div> <div>EMS Response</div> <div>Fire Protection Mgmt & Admin</div> <div>Fire Protection/ HAZMAT</div> <div>Crash & Rescue</div> <div>Disaster Prep</div> <div>Disaster Preparedness</div> <div>Safety</div> <div>NAVOSH</div> <div>Explosive Safety</div> <div>Traffic Safety</div> <div>Recreational/ Off-Duty Safety</div> | <div>Command</div> <div>Command Admin</div> <div>Religious Prog</div> <div>G&A</div> <div>Legal</div> <div>Public Affairs</div> <div>Resource Management</div> <div>Business Management Ops</div> <div>Manpower Mgmt</div> <div>Financial Mgmt</div> <div>HRO</div> <div>FECA</div> <div>Info Tech Svcs</div> <div>IT Spprt & Mgmt/ Non-NMCI</div> <div>NMCI</div> <div>Base Comms</div> <div>A/V Services</div> <div>MILPERS Svcs</div> <div>Pay & Personnel Support</div> <div>Restricted Barracks Admin</div> <div>Brigs</div> <div>TPU Admin</div> <div>Reserve Coord/ Mobilization</div> <div>MILPERS Training Support</div> |

IMAP 2003
Final Version



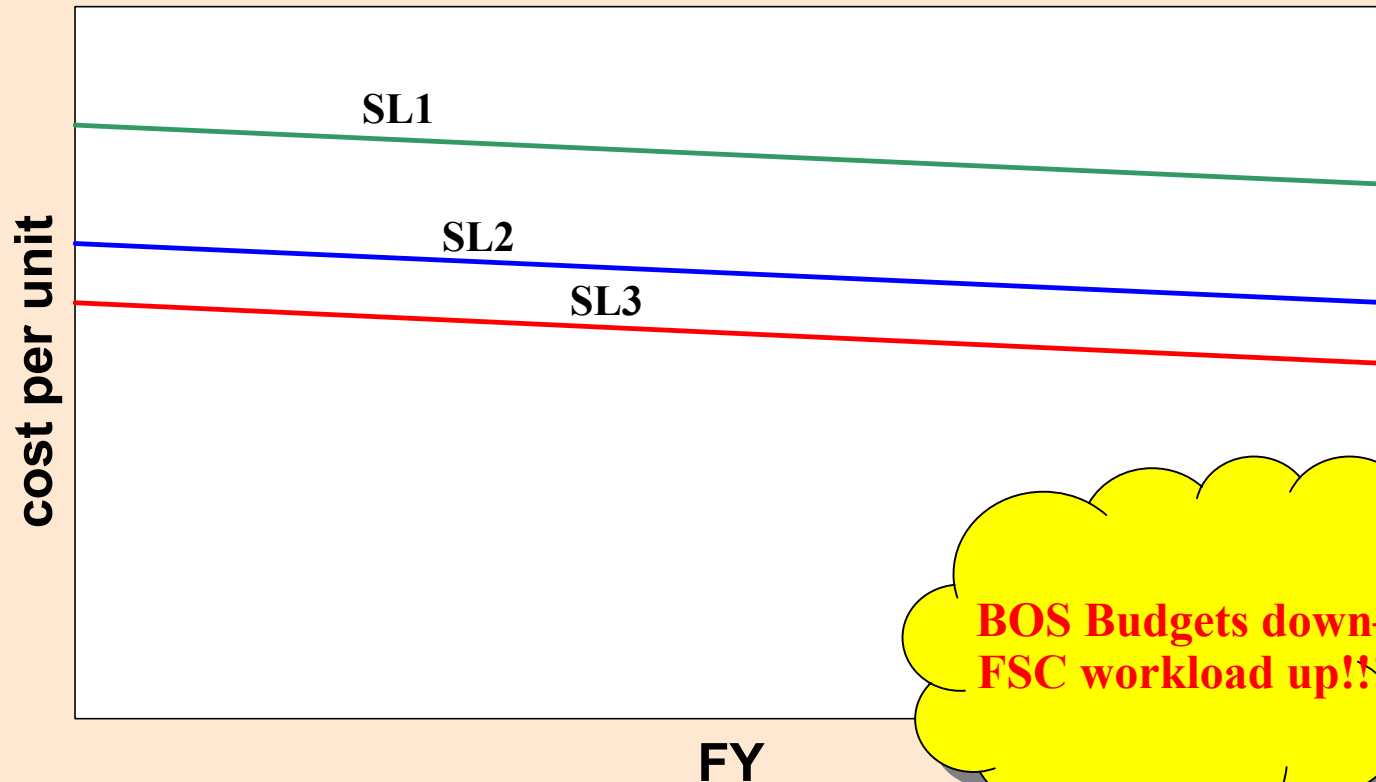
Background & Drivers to Change

- Field/Claimant survey & assessment Jan02
- FSC is BIG business--\$1.5B FY02 DoN ↑
- Congress & DoD interest in PBSA ↑
- Claimant focus on IMAP & Lvl of Svc consistency ↑
- Clients unhappy with FSC support
- Contractors unhappy with varied format, content, & performance measures
- NAVFAC had no FSC program focus

BOS Budgets down—FSC workload up!!!!



Objective: Increase buying power



**BOS Budgets down—
FSC workload up!!!!**



PWS Comparison for Grounds Maintenance

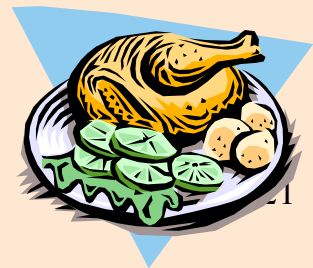
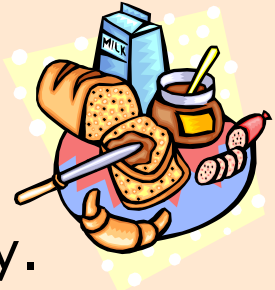
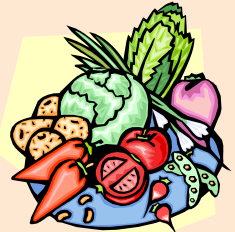
- **Prescriptive:** Cut and water lawn in admin areas three times per week. Fertilize weekly. Edge all perimeters monthly.
- **Performance:** Maintain healthy lawns in admin areas cut to height no higher than 3 inches. In industrial areas, maintain lawn height to no higher than 6 inches.





PWS Comparison for Food Service

- **Prescriptive:** Prepare 300 meals each for breakfast (0700-0800), lunch (1200-1300) and dinner (1800-1900), daily, using specified 90-day menus in accordance with NAVSUP P-XYZ. Scrub and clean all cooking equipment after each meal using sanitation practices prescribed in BUMED P-ABC.
- **Performance:** Prepare meals for 300 personnel daily. Serving hours to support scheduled mealtimes. Submit weekly menus for approval by Contracting Officer one month in advance of proposed serving.





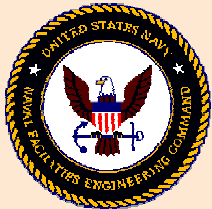
e-FSC Benefits

- Reduces ordering time and effort
- Facilitates client use of NAVFAC IDIQ contracts
- Standardizes IDIQ ordering using a GPC
- Reduces contractor payment time
- Improves data visibility for
 - GPC tracking
 - Contract planning
- Provides GPC controls
 - P-Card ordering limits
 - Only access to legitimate services

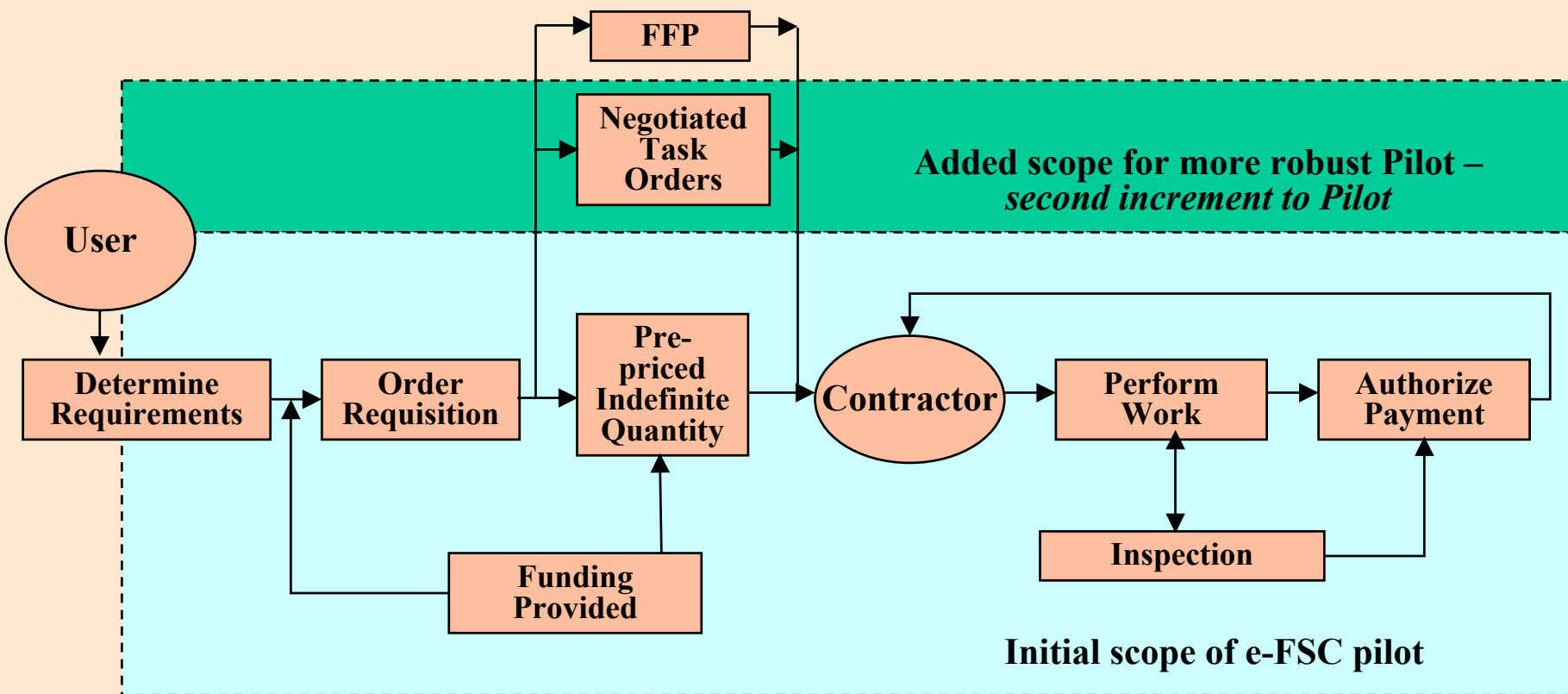


Electronic Task Order (ETO)

- Capability being developed in DoD EMall
- Brief pilot in Dec 02
- Allows ACO to negotiate price and scope (i.e., send SOW, exchange Qs and As, receive proposal electronically) for unpriced line items prior to ordering
- Business Issues being worked
 - Whether to use Client or ACO P-Card
 - NFAS restriction on client ordering to pre-priced items
 - Etc.



Scope of e-FSC Pilot





Metrics

CLF input:

- Increase level of service from SL-3 to SL-2 at no increase in cost by FY08
- Alter contract vehicles to enable cost to be captured in IPT format
- Compare existing contract unit costs to commercial sector average
- Fund and develop services cost model system



Metrics

HQMC input:

- Time: PALT - Focus on pre-award actions
- Quality: Customer Satisfaction Survey
- Cost: Contract Costs, Admin OH Costs